

Bell Atlantic
1300 I Street NW, Suite 400W
Washington, DC 20005

Dee May
Director, Federal Regulatory Affairs

EX PARTE OR LATE FILED

DOCKET FILE COPY ORIGINAL



March 26, 1998

Ex Parte

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
1919 M Street, NW
Room 222
Washington, DC 20554

RECEIVED

MAR 26 1998

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Re: CC Dockets 97-121, 97-137/97-208, 97-231, Rm 9101 and Reciprocal Compensation Payments to ISPs

Dear Ms. Salas:

On March 24, 1998 representatives from Bell Atlantic met with Commissioner Harold Furchtgott Roth and Mr. Kevin Martin of his office to discuss the above issues. Representing Bell Atlantic were Ms. D. May, Mr. G. Evans, Mr. J. Cullen, Mr. E. Young, Mr. J. Goldberg, Mr. P. Garzillo, Mr. S. Sullivan, Ms. J. Canny, Mr. A. Zanfini, and Mr. T. Delaney III. Please find attached material distributed at the meeting.

If you have any questions, please contact me.

Sincerely,

Dee May

Enclosures
cc:

Commissioner Furchtgott-Roth
(letter only)
Kevin Martin (letter only)
Carol Matthey
Melissa Newman
Michael Pryor
Katherine Schroder
Richard Metzger (Letter only)
Michael Riordan (Letter only)
Richard Welch (Letter only)
Greg Cooke (Letter only)
David Kirschner (Letter only)
Susan Launer (Letter only)
Lisa Choi (Letter only)
Barbara Esbin (Letter only)
Audrey Wright (Letter only)

Jonathan Askin (Letter only)
Michelle Carey (Letter only)
Jordan Goldstein (Letter only)
Wendy Lader (Letter only)
Jennifer Fabian (Letter only)
Craig Brown (Letter only)
Bill Bailey (Letter only)
Jake Jennings (Letter only)
Linda Kinney (Letter only)
Jeannie Su (Letter only)



BELL ATLANTIC

Telecom Industry Services

Local Competition in the Bell Atlantic Region

March 24, 1998

Presented By:
Jack Goldberg
President
Bell Atlantic Telecom Industry Services

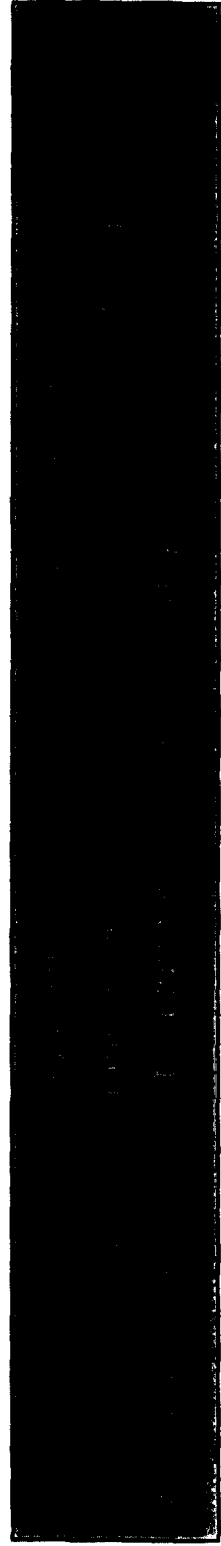
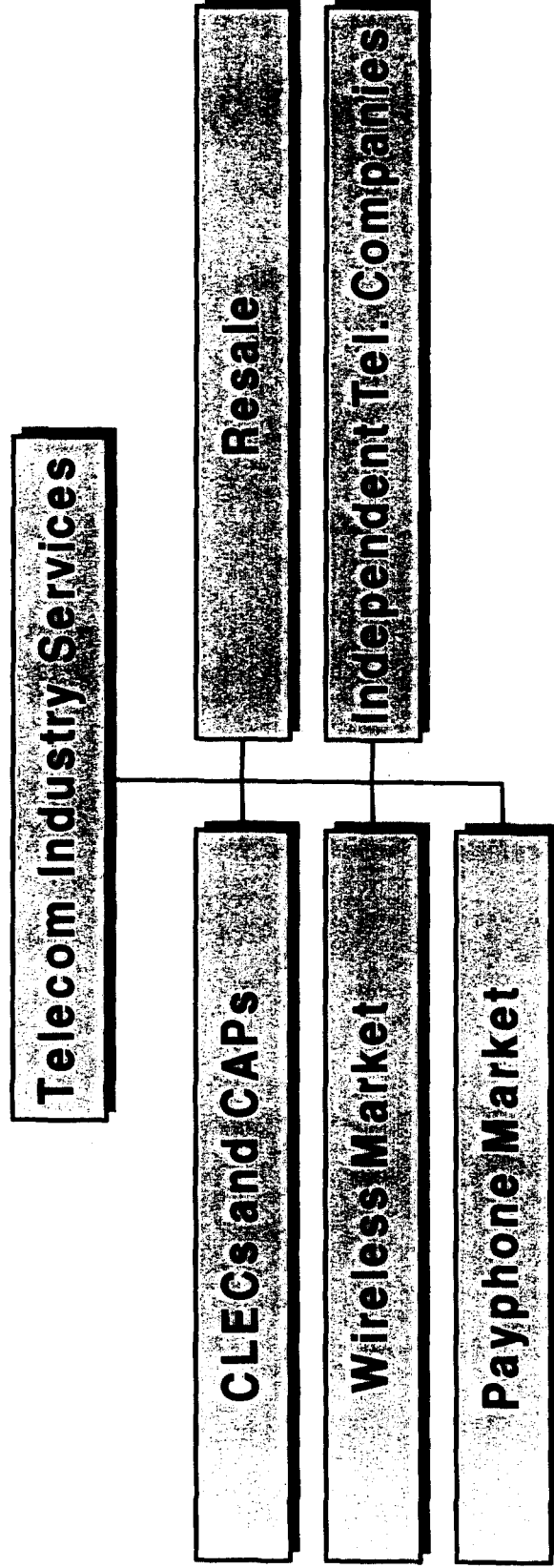


Agenda

- ◆ Bell Atlantic's Wholesale Business Unit
- ◆ Local Entry Overview
- ◆ Implementing Local Competition
- ◆ Wholesale Program Overview
- ◆ OSS Demonstration

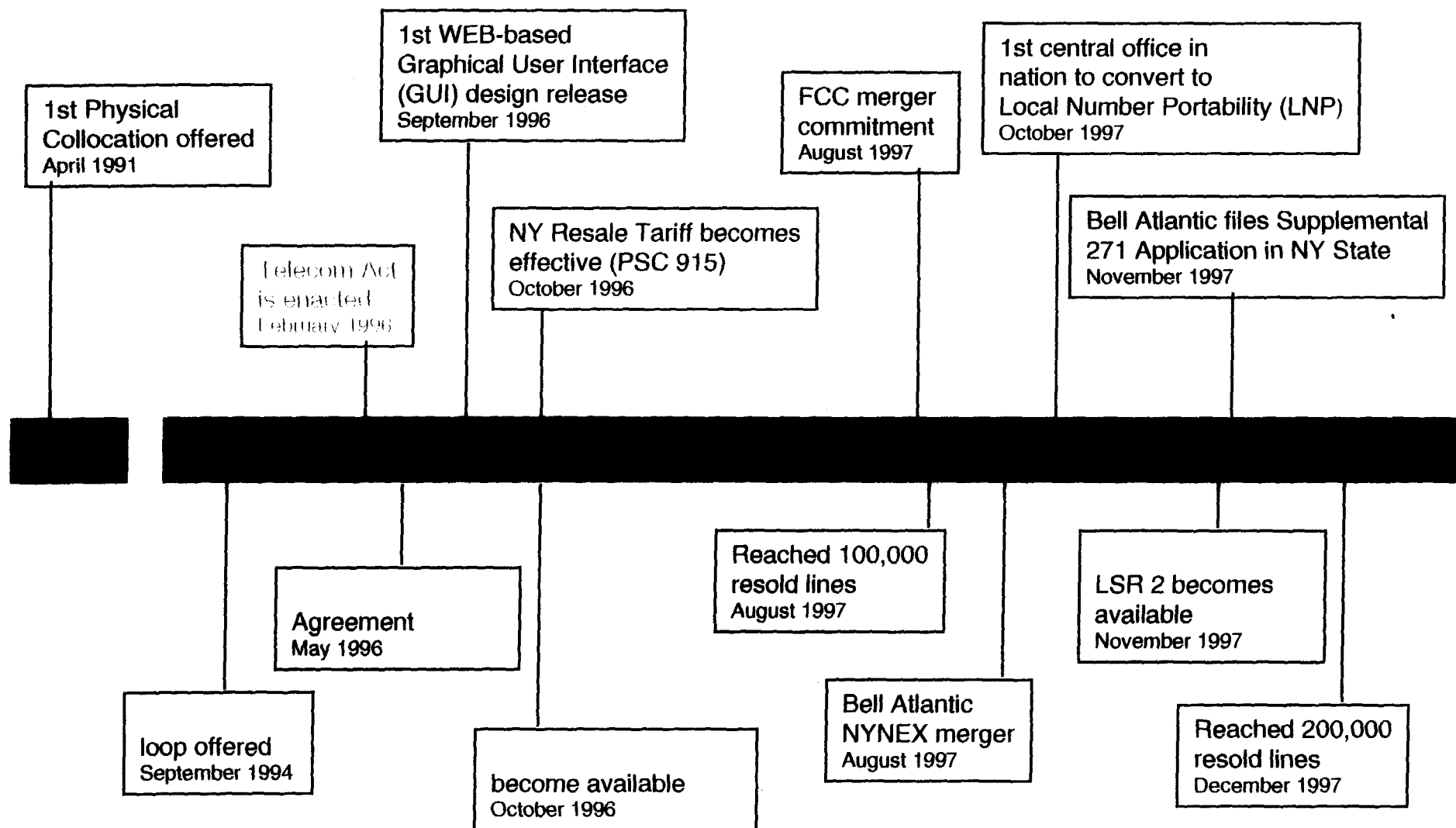


Bell Atlantic Telecom Industry Services Organization





Timeline





Wholesale Progress Report

| | |
|---|----------------------------|
| ◆ Number of wholesale customers: | 150+ (CLECs and resellers) |
| ◆ Signed Agreements: | 320+ |
| ◆ Approved agreements: | 210+ |
| ◆ Unbundled loops: | 46,000+ |
| ◆ Resold lines: | 267,000+ |
| ◆ Minutes of use exchanged between Bell Atlantic and our in-region new entrants through January 1998: | 1.7 Billion |
| ◆ Trained students from new entrants: | 1,400+ |
| ◆ Interconnection trunks in operation: | 296,000+ |
| ◆ Collocation sites in our switching centers: | 458 |
| ◆ Exchange codes requested for use by new entrants: | 2,600+ |



Local Market Entry Overview

- ♦ There are many approaches to enter the local market
- ♦ Local service providers use one or a combination per region and per customer type

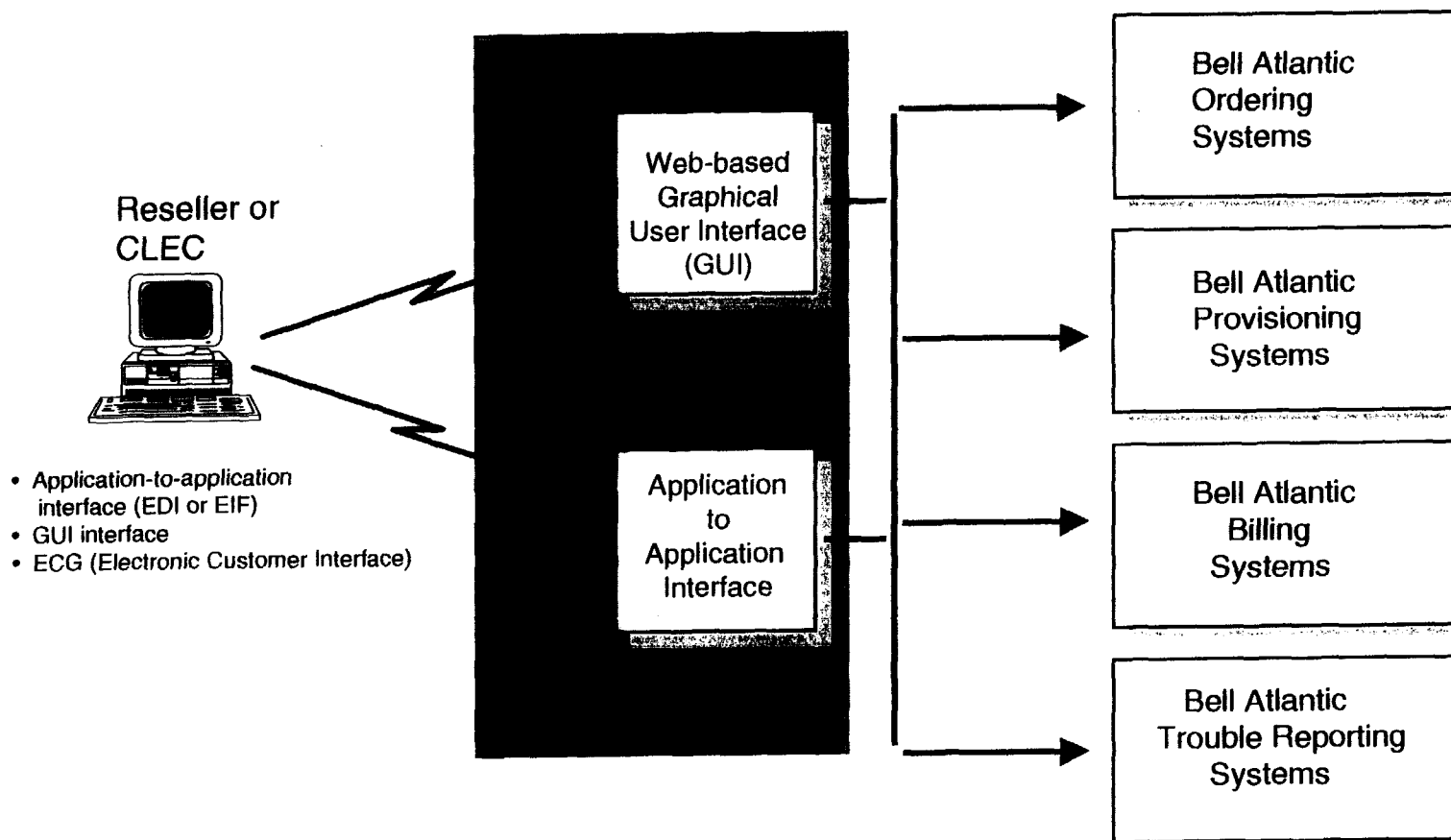
| Entry Strategy | Owns Switch | Purchase from Bell Atlantic |
|---------------------------|-------------------------------------|--|
| Resale | | Retail services at a discount |
| CLEC - No facilities | | <ul style="list-style-type: none">• Collocates in Bell Atlantic's central offices• Loops, switching and transport• Combines network elements |
| CLEC – Partial facilities | <input checked="" type="checkbox"/> | <ul style="list-style-type: none">• Collocates in Bell Atlantic's central offices• Loops |
| CLEC - Facilities Bypass | <input checked="" type="checkbox"/> | <ul style="list-style-type: none">• Interconnects with Bell Atlantic's network• Originating and terminating traffic with Bell Atlantic |

Resale vs. UNE Comparison

| | Resale | Unbundled Network Elements |
|--------------|--|---|
| Pricing | Discount off retail price | Forward Looking Economic Cost plus reasonable return |
| Order | By service (e.g., 1MB, 1MR, Call Waiting, Toll Usage Plan) | By UNE (e.g., NID, Loop, Unbundled Local Switching, Tandem Switching, SS7, IOF, Signalling, Access to Databases, Operator Services, Shared Transport) |
| Provisioning | By service | By element |
| Billing | By service, by account | By element, by Central Office |
| Maintenance | Reseller takes trouble report, tests and reports to Bell Atlantic. BA maintains the service. | CLEC takes trouble, isolates, tests, reports and dispatches to element level. |

BA Wholesale Systems Overview

ILLUSTRATIVE



Supported Interfaces/Formats

| | BA South | BA North |
|------------------------|---|--|
| Pre-ordering | <ul style="list-style-type: none"> • ECG • GUI - 3rd Q'98 • CORBA - 3rd Q'98 | <ul style="list-style-type: none"> • GUI • EIF • CORBA - 3rd Q'98 |
| Ordering | <ul style="list-style-type: none"> • EDI • PC EDI • LSR; paper forms • GUI - 2nd Q'98 | <ul style="list-style-type: none"> • EDI • EIF • LSR • GUI |
| Billing | <ul style="list-style-type: none"> • BDT • EMR | <ul style="list-style-type: none"> • BDT • EMR |
| Maintenance | <ul style="list-style-type: none"> • ECG • GUI - 3rd Q'98 | <ul style="list-style-type: none"> • EIF • GUI |
| Order Volume (2/98) | <ul style="list-style-type: none"> • 11,712 • 9% electronic • 2% flow-through | <ul style="list-style-type: none"> • 19,144 • 95% electronic • 42% flow-through |



Ways of Helping Our Customers

COMMUNICATIONS

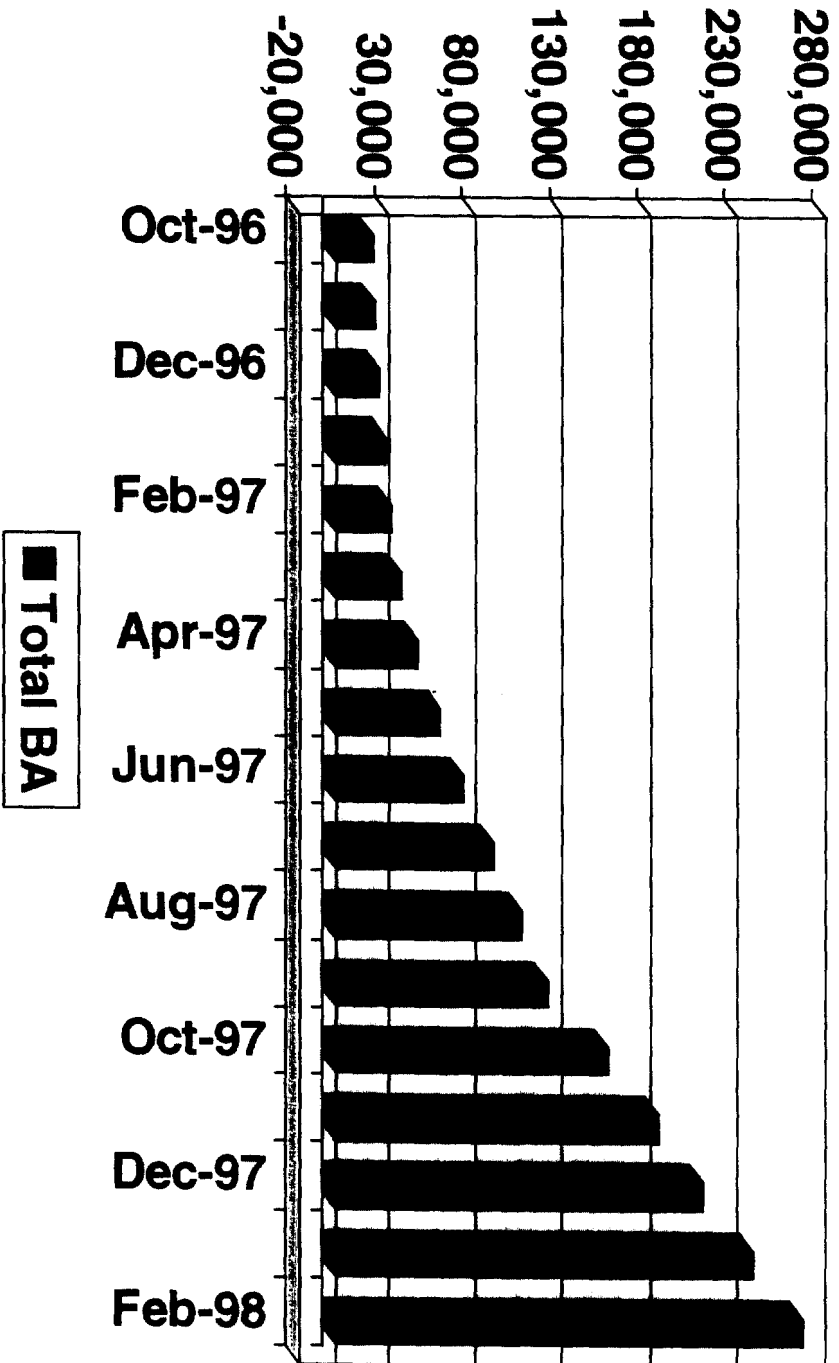
- ◆ Wholesale handbooks
- ◆ Industry Mailings
- ◆ Web site
- ◆ Product/User Guides
- ◆ Newsletters
- ◆ Customer Conferences

TRAINING

- ◆ Wholesale Product and Process training
- ◆ Traditional classroom plus interactive systems training
- ◆ Standard and Customized
- ◆ TIS Seminar Series

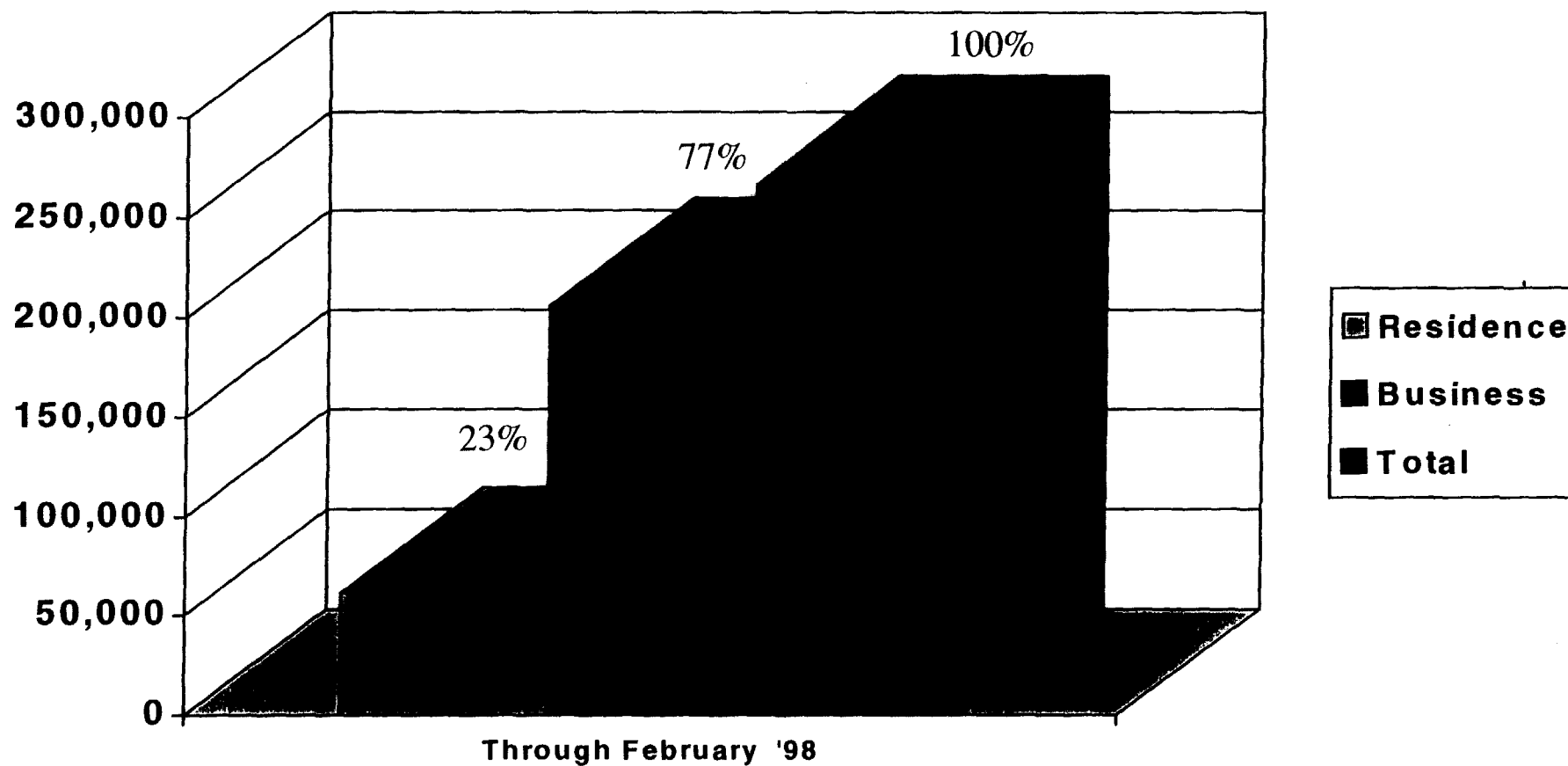


Resale Lines in Service

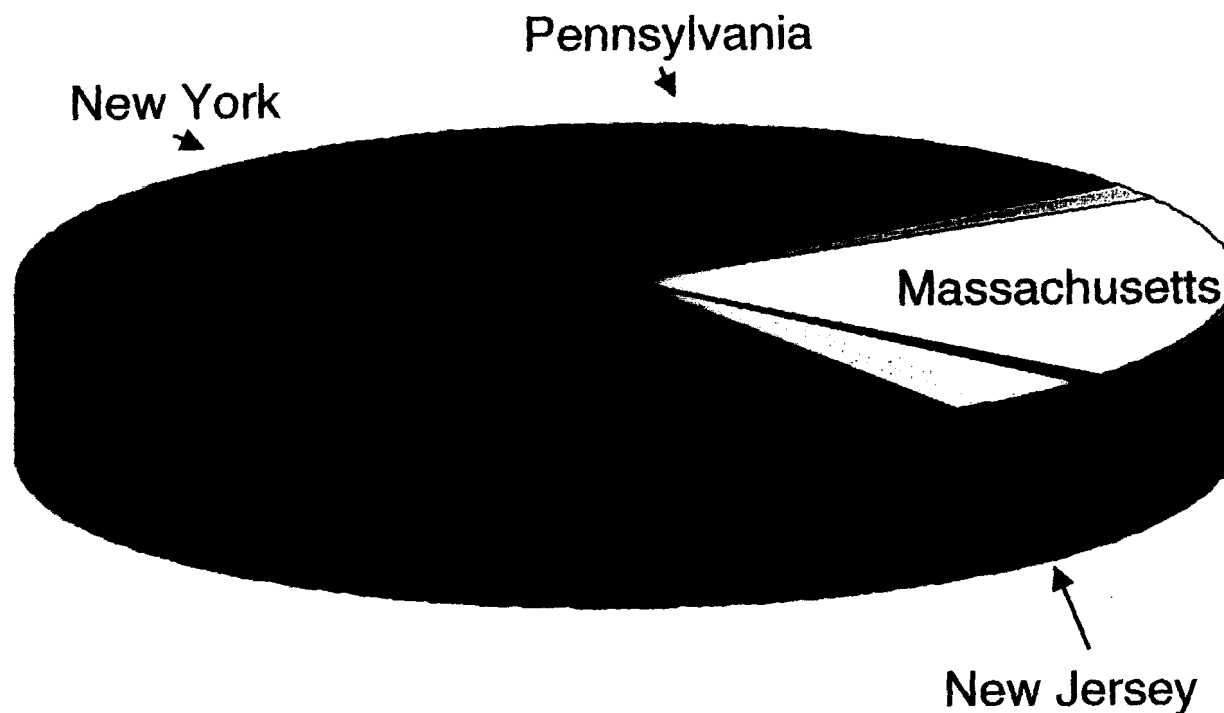




Resale Lines in Service

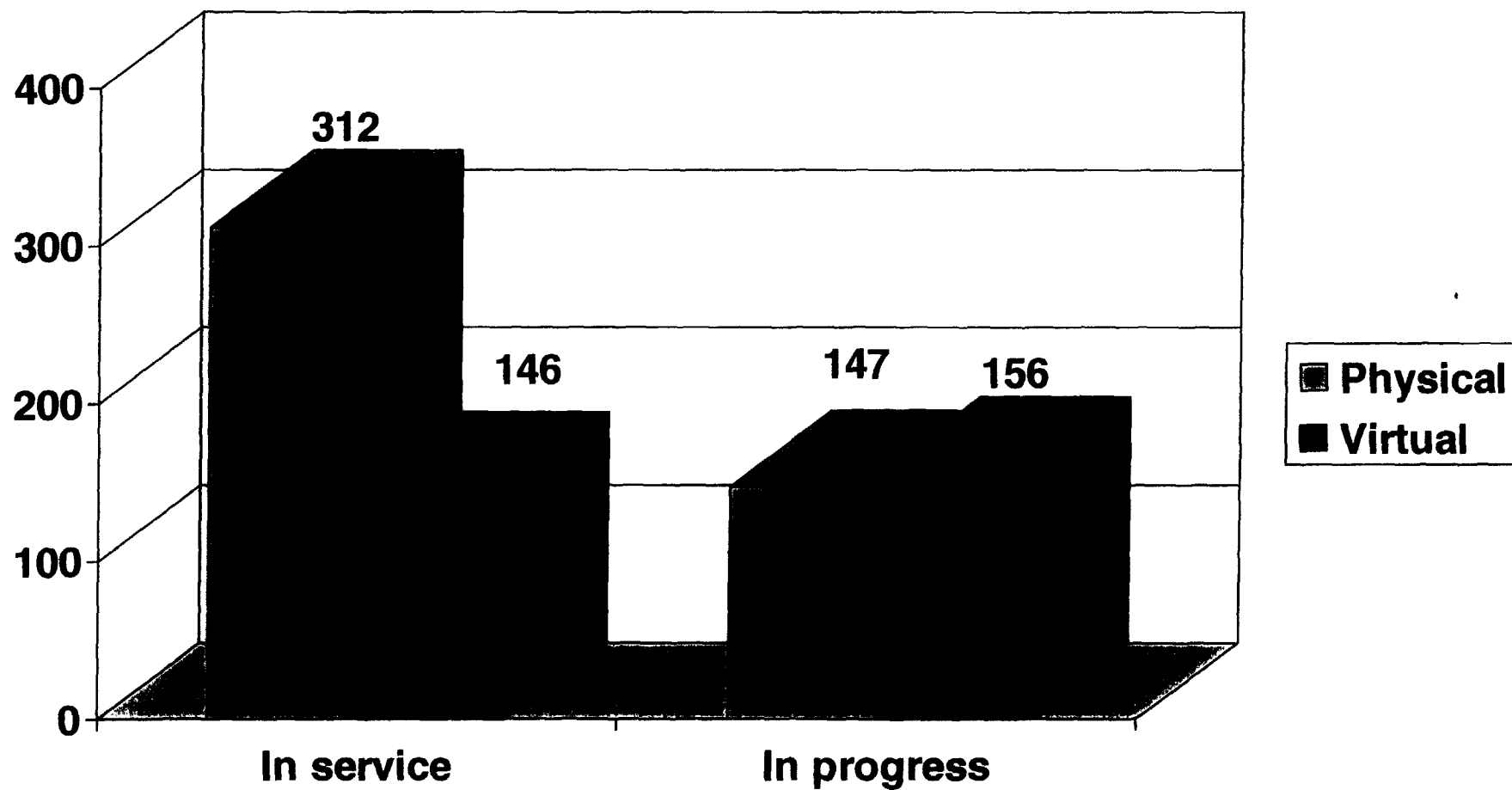


Resale Lines in Service by State



Total Bell Atlantic Resold Lines in Service through February 1998

Collocation



As of January 1998, throughout Bell Atlantic



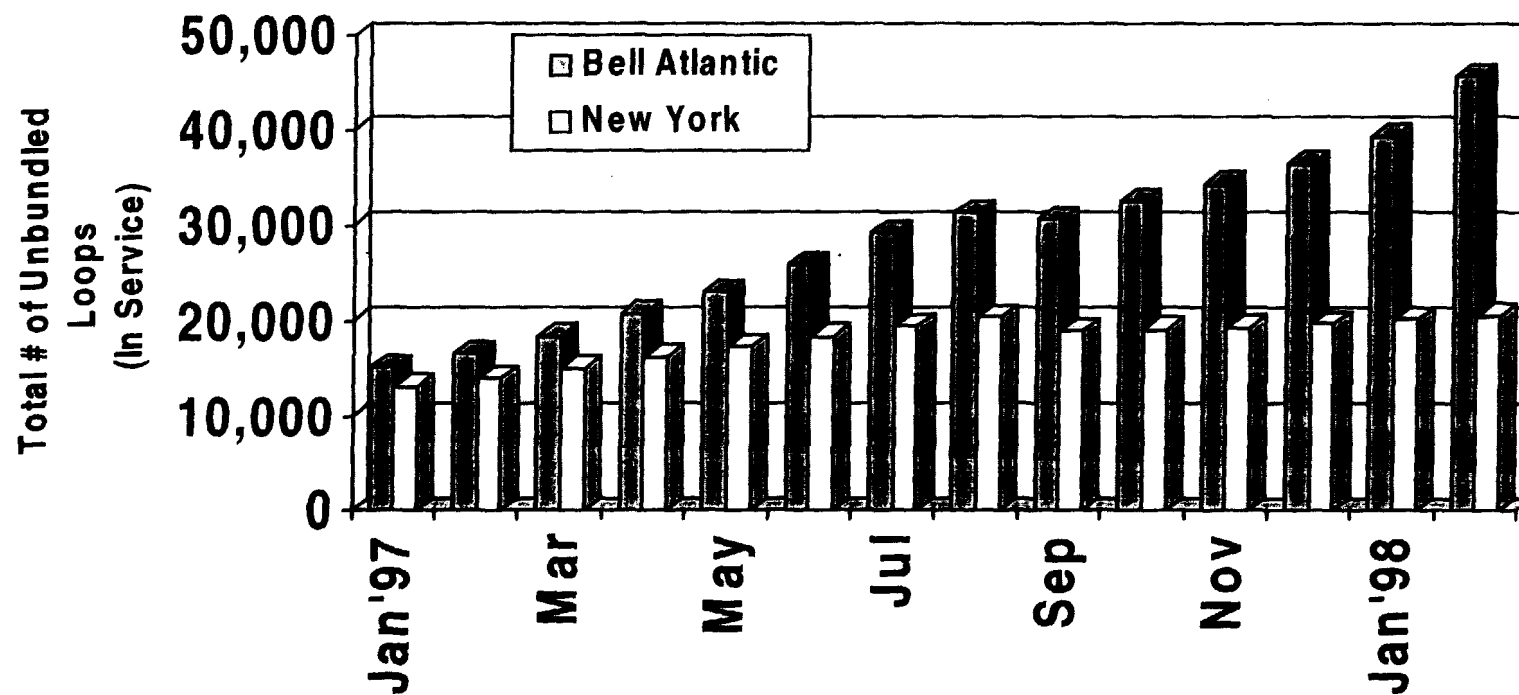
Collocation Utilization New York



For cages turned up and accepted prior to 1997 in New York = 69

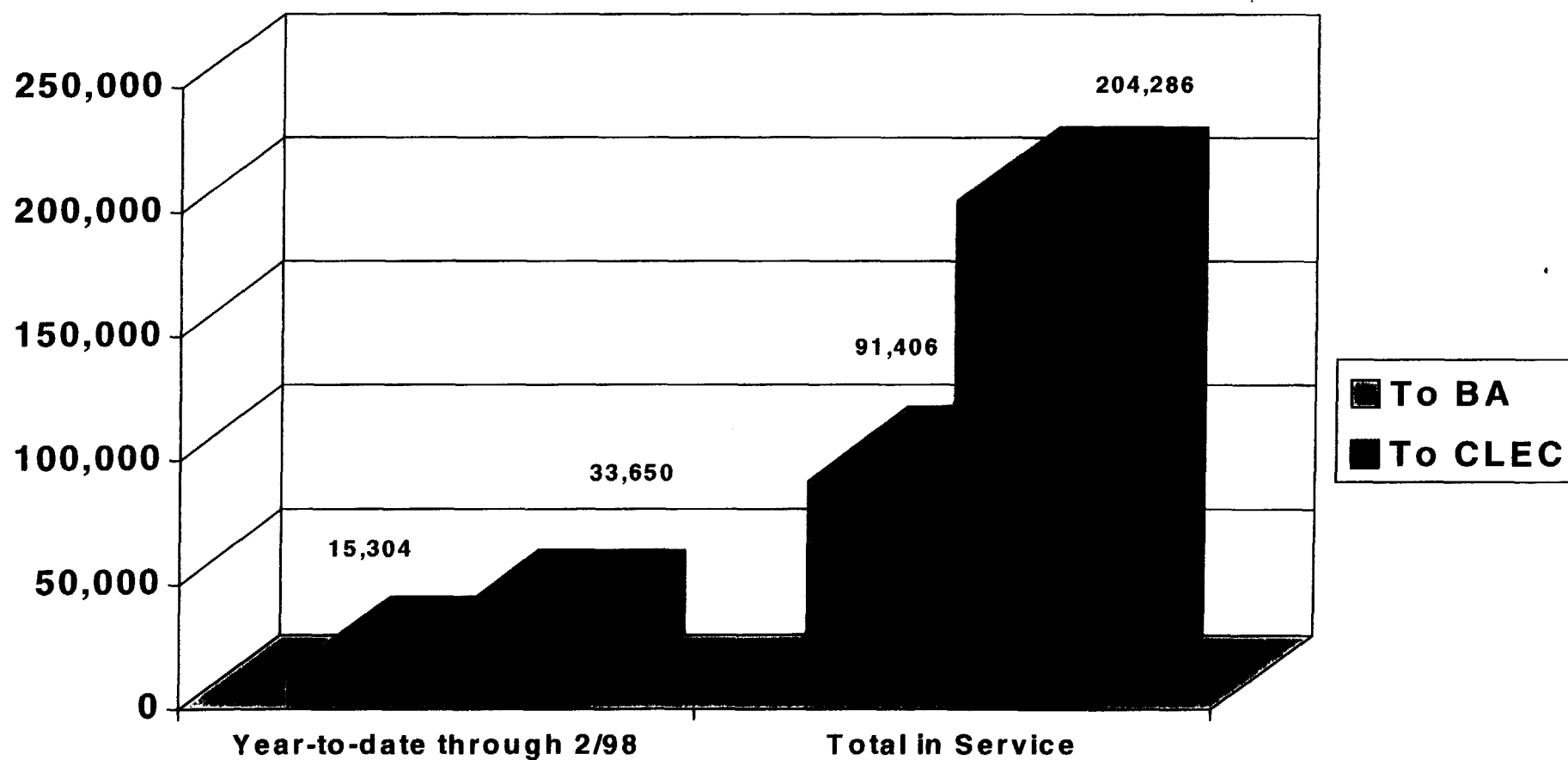
Total Unbundled Loops

**Total Unbundled Loops (In Service)
Bell Atlantic Total and New York State**

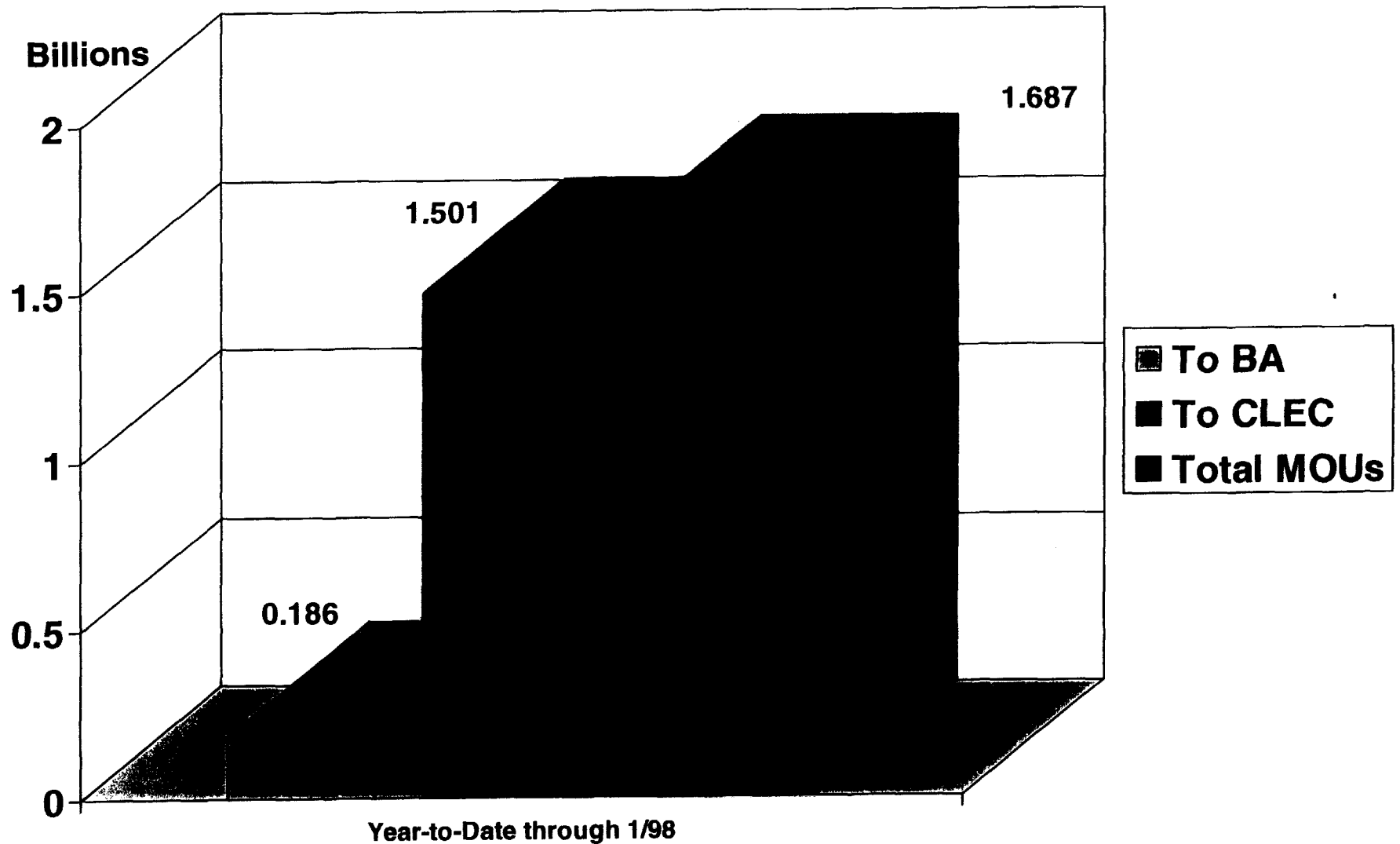




Interconnection Trunks

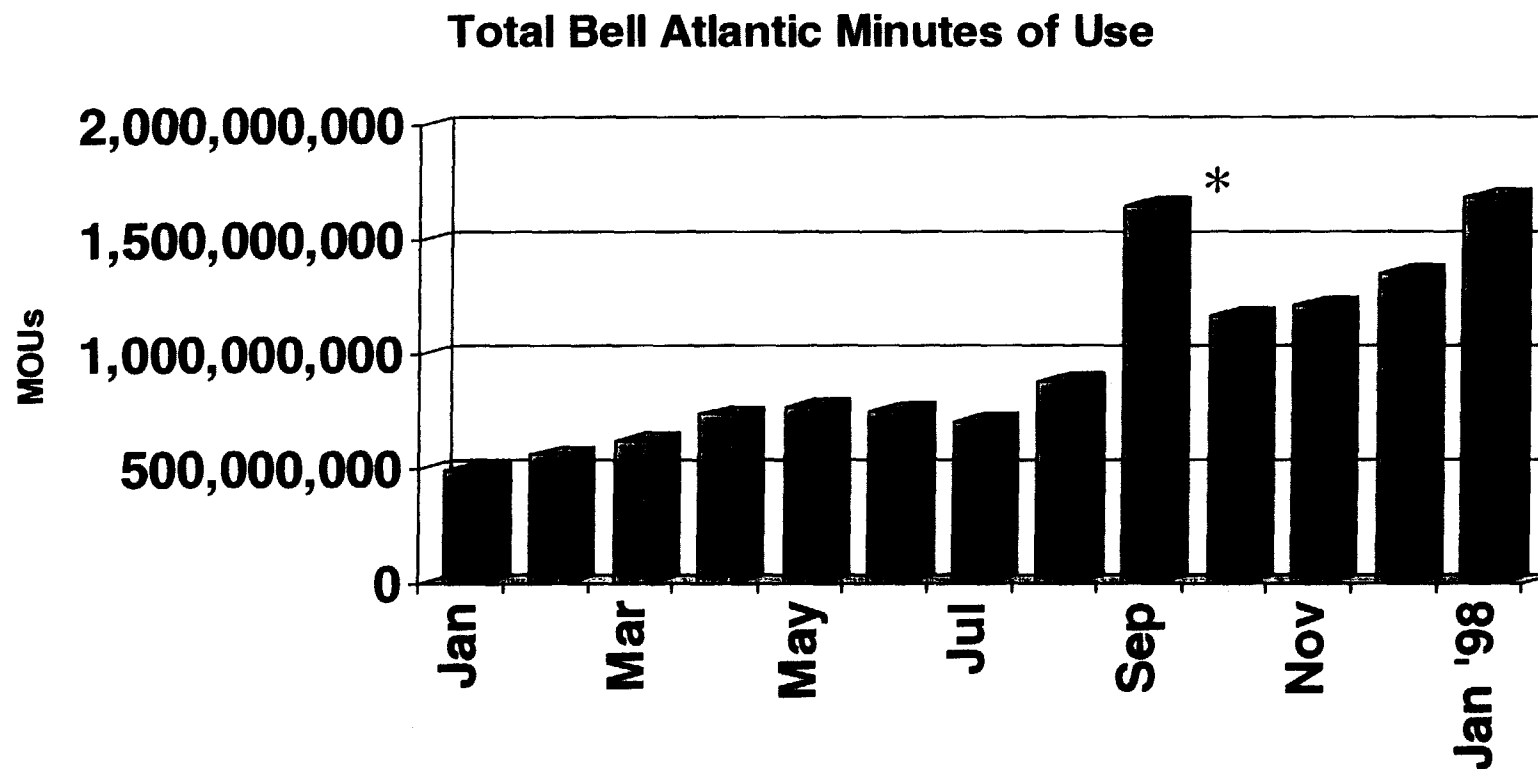


Interconnection Minutes of Use





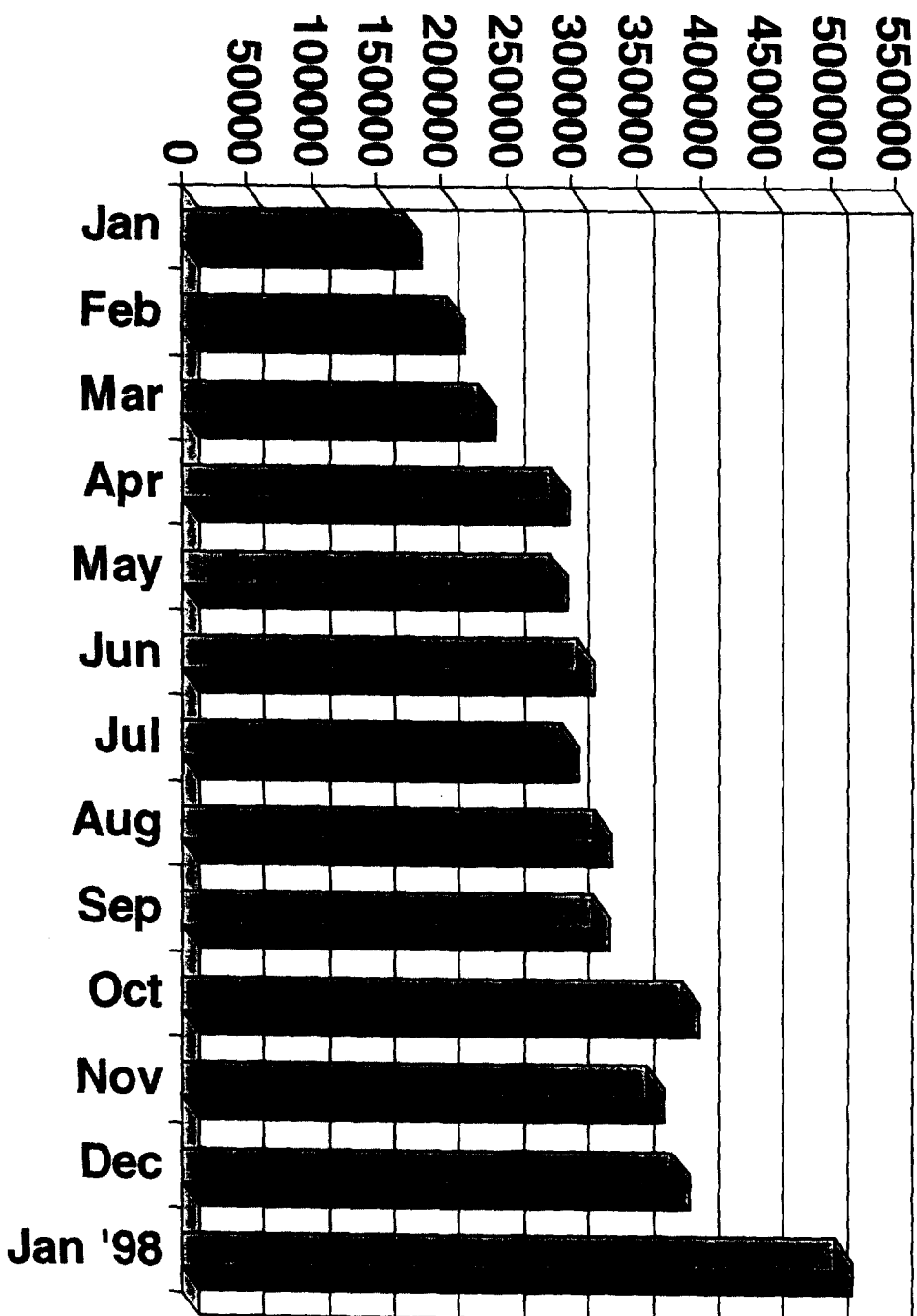
Total Minutes of Use



* Includes MOUs billed from prior months



Estimate of CLEC Provided Access Lines





Access Lines*

| | | NY METRO | UPSTATE | TOTAL | NY METRO | UPSTATE | TOTAL |
|----------------------------------|--------------------|-------------|-----------|------------|-------------|---------|-------|
| CLEC Facilities-Based | Residential | 3,438 | 0 | 3,438 | 2.4% | 0% | 2.2% |
| | Business | 142,476 | 8,659 | 151,135 | 97.6% | 100.0% | 97.8% |
| | Total | 145,914 | 8,659 | 154,573 | | | |
| CLEC RESALE | Residential | 13,866 | 2,053 | 15,919 | 23.3% | 9.4% | 19.6% |
| | Business | 45,759 | 19,743 | 65,502 | 76.7% | 90.6% | 80.4% |
| | Total | 59,625 | 21,796 | 81,421 | | | |
| CLEC FB + Resale | Residential | 17,304 | 2,053 | 19,357 | 8.4% | 6.7% | 8.2% |
| | Business | 188,235 | 28,402 | 216,637 | 91.6% | 93.3% | 91.8% |
| | Total | 205,539 | 30,455 | 235,994 | | | |
| BA-NY | Residential | 5,148,590 | 1,980,331 | 7,128,921 | 63.2% | 72.3% | 65.5% |
| | Business | 2,995,644 | 758,588 | 3,754,232 | 36.8% | 27.7% | 34.5% |
| | Total | 8,144,234 | 2,738,919 | 10,883,153 | | | |

* Note: Based on filings provided by 15 CLECs in the NY PSC 271 Proceeding (NY PSC 97 C-1963)

As of 10/97



CLEC Market Share^a

| | NY METRO | UPSTATE | TOTAL |
|--------------------|-------------|-------------|-------------|
| Residential | 0.3% | 0.1% | 0.3% |
| Business | <u>5.9%</u> | <u>3.6%</u> | <u>5.5%</u> |
| Total | 2.5% | 1.1% | 2.1% |

* Note: Based on filings provided by 15 CLECs in the NY PSC 271 Proceeding (NY PSC 97 C-1963)

As of 10/97



CLEC Local Switch Locations and Capacity*

| Location | # Switches | Capacity Access Lines |
|----------|------------|-----------------------|
| Upstate | 6 | 43,953 |
| NY Metro | <u>14</u> | <u>289,080</u> |
| Total | 20 | 333,033 |

* Note: Based on filings provided by 9 CLECs in the NY PSC 271 Proceeding (NY PSC 97 C-1963)

As of 10/97



Competitive Checklist Items Purchased From BA-NY*

| Checklist # | i | ii | iii | iv | v | vi | vii | viii | ix | x | xi | xii | xiii | xiv |
|----------------------------------|---|----|-----|----|---|----|-----|------|----|---|----|-----|------|-----|
| # of CLECS Purchasing Item | 7 | 2 | 2 | 4 | 4 | 1 | 9 | 7 | 6 | 4 | 7 | 4 | 4 | 8 |

*Note: Based on filings provided by 15 CLECs in the NY PSC 271 Proceeding (NY PSC 97 C-1963).

As of 10/97